

Aviation Maintenance Manager Course



Pre-Course Study Unit

DEFENSE LOGISTICS AGENCY
DEFENSE CONTRACT MANAGEMENT COMMAND
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Section A—Roles and Responsibilities

Overview

Introduction

The Contract Administration Office (CAO) Commander appoints the Aviation Program Team (APT) and delegates authority to the Government Flight Representative (GFR) as leader of the APT. The GFR is delegated the authority to take specific actions related to work being completed on aviation contracts. The GFR uses the expertise of the Aviation Maintenance Manager (AMM) and the Specialized Safety Manager (SSM) to successfully complete his or her job.

The AMM provides technical expertise and assistance on aircraft maintenance, foreign object damage and tool control, aircraft operations, and environmental and safety issues. This section provides an overview of the GFR delegation process.

In this section

This section contains these topics:

- Importance of the GFR
- Definitions and Roles
- Aviation Program Team
- Summary

Importance of the GFR

Importance of the GFR delegation

The GFR delegation is extremely important to the successful completion of DLA aircraft contracts. The GFR serves as the eyes and ears of the Procuring Contracting Officer (PCO), as well as that of the Administrative Contracting Officer (ACO), to ensure that the contractor is acting in accordance with the requirements prescribed in the contract, test plans, Defense Logistics Agency Instruction 8210.1, or other applicable directives.

The weight of the GFR's responsibility should not be underestimated. Without successful monitoring by the GFR and APT, the Government can lose millions of dollars in damaged/destroyed aircraft. Worse yet, lives can be lost.

Self-insurance/risk

The Government acts as a self-insurer with respect to the risk of loss to aircraft being manufactured, reworked, modified, or operated pursuant to a DoD contract. The decision to self-insure is an economic one. It is based upon a comparison of the cost of Government assumption of the risk for losses versus the increase in contract prices that would result if the contractor were required to obtain commercial insurance. The Government's assumption of risk is not, however, absolute.

DoD Federal Acquisition Regulation Supplement (DFARS) 252.228–7001, Ground and Flight Risk, and 252.228–7002, Flight Risk, define the scope of the Government's assumption of risk.

Example

An example of when the Government may not accept risk follows.

The Government may not accept the risk if a loss is sustained during a flight not approved by the GFR. In addition, the Government may terminate its assumption of the risk of loss of the aircraft if the contractor is maintaining or operating the aircraft in an unreasonable condition and fails to correct the condition within a reasonable period of time.

GFR's role

The GFR, with assistance from the AMM and SSM, plays a critical role in

- monitoring the contractor's procedures and operations
- monitoring day-to-day flight operations, and
- identifying the existence of any unreasonable conditions.

Definitions and Roles

Introduction

You will interact with many people while performing your job. The following descriptions will help you understand your role and the roles of others involved in the acquisition process. They include:

- Contracting Officer (CO)
- Procuring Contracting Officer (PCO)
- Administrative Contracting Officer (ACO)
- Terminating Contracting Officer (TCO)
- Chief, Flight Operations (CFO, District/DCMC)
- GFR
- APT
- SSM
- Program Integrator (PI), and
- Quality Assurance Representative (QAR).

Contracting Officer

The Federal Acquisition Regulation (FAR) 2.101 defines a CO as a person with the authority to

- enter into contracts
- administer contracts
- terminate contracts, and
- make related determinations and findings.

These duties are divided among three officers: the PCO, ACO, and TCO.

Procuring Contracting Officer

The PCO is responsible for "ensuring performance of all necessary actions for effective contracting, ensuring compliance with the terms of the contract, and safeguarding the interests of the United States in its contractual relationships."

Authority is vested in the PCO for

- legally binding the Government in contractual matters
- obligating the payment of funds on a contract, or
- making decisions in the event of a dispute.

In most circumstances, this authority is delegated to the ACO.

In most cases, PCOs retain the exclusive authority to

- make other than administrative changes to the terms of the contract, and
- terminate the contract.

Administrative Contracting Officer

The ACO, according to FAR 2.101, is a contracting officer who administers the contract. This person is usually the individual with whom the GFR consults regarding contract issues.

Terminating Contracting Officer

The TCO is responsible for terminating a contract. The TCO negotiates all of the settlement costs with the contractor when the termination is for the convenience of the Government. (The PCO issues the termination for default.)

Chief, Flight Operations

The Chief, Flight Operations (CFO) is a rated military officer who manages and acts as clearance authority for all military flying activities within the facility. The CFO supervises aircraft flight acceptance in accordance with contract requirements and DLAD 5000.4, Chapter 8.

Note: The CFO is a different person than the Defense Contract Management District (DCMD) CFO.

GFR

A Government Flight Representative (GFR) is a rated military officer from one of the Military Services (including operational and nonoperational aviation positions) or a Government civilian in aviation service to whom authority has been delegated for

- approval of
 - contractor flights
 - Contractor's Procedures
 - flight crewmember/personnel, and
 - some ground personnel, and
- ensuring contractor compliance with applicable provisions of DLAI 8210.1.

The GFR's role is in the contracting and the contract administration processes as a representative of the Government.

The GFR's role, while not expressly stated in the FAR, is to be the eyes and ears for the ACO. The GFR performs duties essential to the protection of DoD aircraft and associated equipment and the prevention of mishaps.

Important

It is extremely important that the GFR coordinates activities with the ACO.

Example: The GFR must talk to the ACO prior to directing the contractor to make any major changes in his or her systems which may raise constructive change issues. (See notes on constructive change in section D.)

Aviation Program Team

Who is involved

The GFR is the Aviation Program Team (APT) leader. The APT works together, using each person's expertise, to make decisions and recommendations minimizing risk to U.S. Government property and personnel. The Aviation Program Team (APT) core members include:

- GFR
- Aviation Maintenance Manager (AMM)
- Specialized Safety Manager (SSM)

Matrix support is work done on an as needed basis by other functional or technical experts who are not members of the APT. Matrix support for the APT includes:

- ACO
- Quality Assurance (QA)
- Program Integrator (PI)
- Property Administrator (PA)

Responsibilities

The APT members contribute to

- day-to-day surveillance
- surveys of contractor flight and ground operations
- meetings before and after a survey, and
- liaison with the program office.

Aviation Maintenance Manager

As the AMM, you are a key member of the APT.

- You assist the GFR with contracts involving aircraft for which the Government contractually assumes ground or flight risk.
- You ensure contractor compliance with Service directives and DLA regulations by monitoring and evaluating Contractor's Procedures, task certifications, and maintenance requirements for all Government-owned aircraft and related support equipment.
- You perform scheduled/unscheduled inspections and oversights of critical tasks and monitor contractor's compliance with MIL-STD 980, Foreign Object Damage Prevention Programs.

Specialized Safety Manager

The SSM monitors safety practices throughout the plant and oversees the contractor's corrective action on safety violations. The SSM notifies the GFR of apparent hazardous operations, fires, accidents, and/or explosions occurring in the plant.

Program Integrator

The PI is the leader of the Program Support Team which provides surveillance for program-managed contracts such as weapon systems, related equipment, subsystems, support equipment, associated spares, modification programs, and system/subsystem maintenance and overhaul.

The relationship of the GFR and the PI is very important. The PI provides interface between the Program Office and the GFR.

Quality Assurance

The QA person proofs the contractor's processes using a thorough review of the processes to ensure that the inputs being employed are adequate to achieve the desired result. Proofing of the contractor's processes provides confidence in those established practices that are in place and provides an early opportunity for identification of problems.

Property Administrator

The PA administers the various property clauses in the contract (e.g. FAR Part 52.245-2, Government Property (Fixed Price), Alternate I, paragraph (g), Limited Risk of Loss; FAR Part 52.245-5, Government Property (Cost Reimbursement, Time and Material or Labor Hour Contracts, paragraph (g) Limited Risk of Loss; and FAR Part 52.245-8, Liability for the Facilities). DFARS Part 252.228-7001, The Ground and Flight Risk clause, and DFARS Part 252.228-7002, The Aircraft Flight Risk Clause, are also property clauses of a sort. GFRs should notify or request the assistance of the Property Administrator whenever there is a question regarding the proper care and control of Government property. Likewise GFRs should notify the PA whenever there is damage to an aircraft under either the Flight Risk or Ground and Flight Risk Clauses.

Summary

Where you are

In this section, you have learned about the

- GFR delegation process
- importance of the job
- APT members, and
- definitions and roles.

Be sure to write any questions you have about this section on the second page of this document, which is provided for that purpose.

Looking forward

In the next section, you will learn about the world of DCMC.

Section B—The World of DCMC

Overview

Introduction

In the previous section, you learned that the GFR is appointed by the CAO Commander to act as DLA's authorized representative on aviation contracts. At this point, let's look at the structure and organization of DLA and the Defense Contract Management Command (DCMC).

Home page

To stay current on the latest issues involving DCMC, be sure to visit the DCMC homepage at <http://www.dcmc.hq.dla.mil/>.

In this section

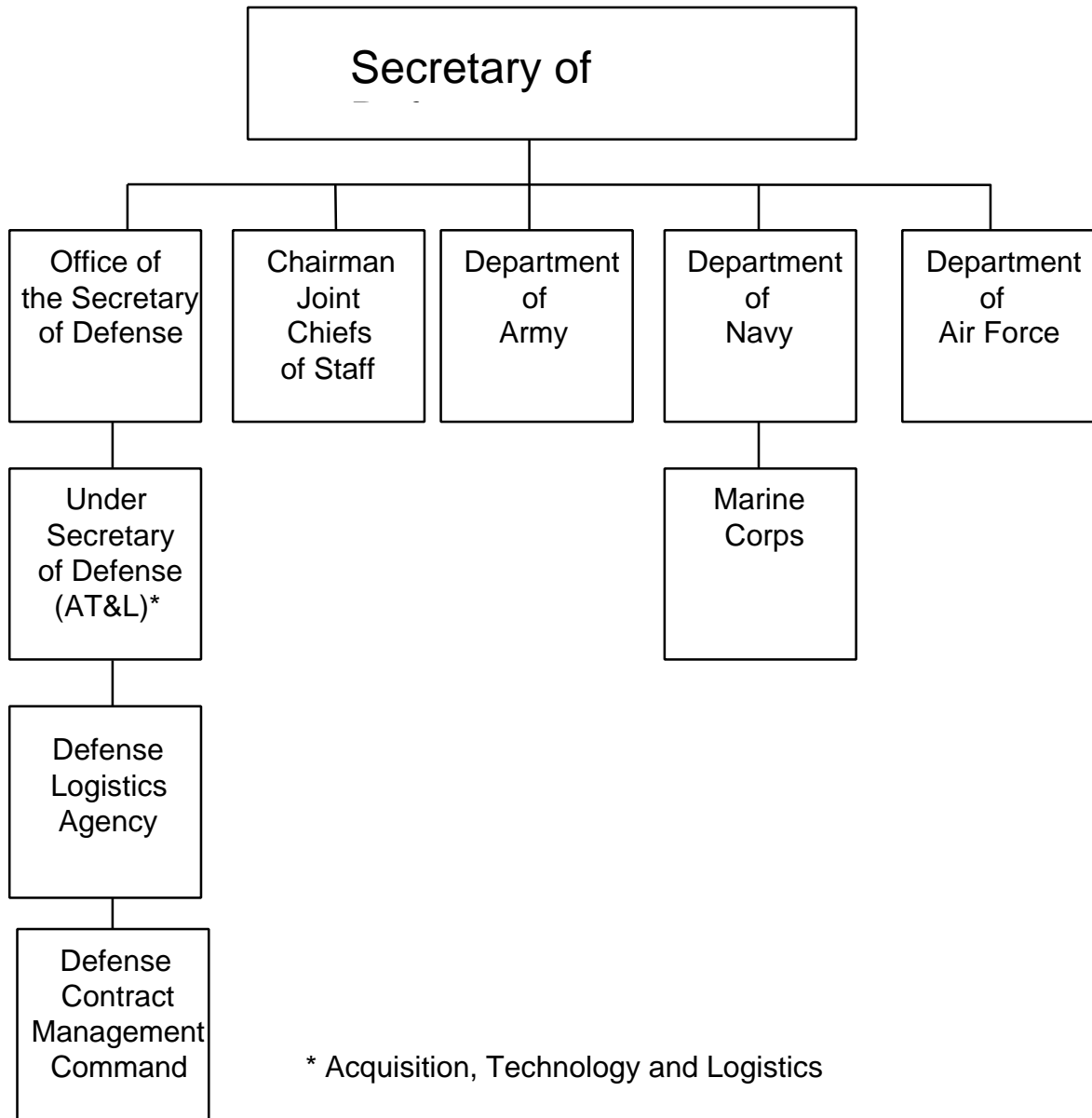
This section contains these topics:

- The Big Picture
- DoD Functions
- Establishment of DCMC
- DCMC's Mission
- DCMC's Organizational Structure
- DCMC's Support System
- Summary

The Big Picture

DCMC's relationship with DoD

To understand where DLA and DCMC fit in the realm of Defense Agencies, look at the chart below. It depicts the organizational relationships within the Department of Defense (DoD).



DoD Functions

Responsibilities

DoD has operational and administrative responsibilities for military systems.

Functions

DoD organizational functions, shown on the previous page, are described in the following chart.

Agency	Function
Joint Chiefs of Staff (JCS)	Oversight responsibilities include: <ul style="list-style-type: none">• specified command—global nuclear forces, and• unified command—regional non-nuclear forces.
Service Departments	Responsible for Service-specific requirements which include Acquisition Category (ACAT) II programs.
Office of the Secretary of Defense (OSD)	Administrative function relative to multi-service policy and issues including ACAT I programs.
Under Secretary of Defense Acquisition, Technology and Logistics USD (AT&L)	Administrative function relative to the Defense Acquisition Executive (DAE).
Defense Logistics Agency (DLA)	Administrative function relative to providing quality logistics support and services to the customer.
Defense Contract Management Command (DCMC)	Administrative function responsible for contract management.

Establishment of DCMC

The way it was

On January 19, 1990, the Secretary of Defense presented a progress report on Pentagon management improvements, including those initiatives aimed at streamlining contract management. As described in the Defense Management Review Directive (DMRD), one major improvement cited was the consolidation of all DoD Contract Administrative Services (CAS) into a single command under DLA. The new command was called the Defense Contract Management Command (DCMC).

Prior to DCMC there was no uniform way of performing CAS business. There was a multiplicity of standards and policies implemented by the

- Defense Contract Administration Services Management Areas (DCASMA's)
- Defense Contract Administration Service Plant Representatives Offices (DCASPROs)
- Air Force Plant Representative Offices (AFPROs)
- Navy Plant Representative Offices (NAVPROs), and
- Army Plant Representative Offices (ARPROs).

Although each had a different way of doing business, all performed Contract Administration functions. Therefore, DoD decided it would be less disruptive and less expensive to consolidate all contract administration within a new command, DCMC, under DLA.

Benefits of consolidation

DCMC benefits from consolidation because it

- presents one face to industry on regulatory matters, policies, administration, and payments
- helps DoD save resources by reducing overhead costs while still providing effective and efficient support for the DoD program management and buying community
- provides consistency in training to enhance the professionalism of the acquisition workforce
- gives acquisition personnel an opportunity to serve the American soldier, sailor, and airman at the least cost to the American taxpayer, and
- represents the interests of Program Managers (PMs) in contractor facilities.

Savings

The streamlining of contract management into DCMC was designed to reduce the costs and personnel required to administer Government contracts. Savings include:

- projected savings of more than \$200 million over a 5-year period, and
- the elimination of at least 3,000 contract administration positions.

DCMC's way of doing business

With the establishment of DCMC, CAS moved away from multiple ways of doing business and adopted a standard policy that stresses the following goals:

- Proactive engineering surveillance in a teaming environment
- Enhanced customer support
- Less adversarial role with the contractor
- Teaming of DCMC functional expertise
- Teaming with the contractor

We are achieving these goals through initiatives such as:

- Process Oriented Contract Administration Service (PROCAS)—which includes cross-functional teaming, process orientation and using objective measures of performance
- DLAD 5000.4 (the One Book)—provides DCMC policy and process guidance to Primary Level Field Activities (PLFAs)
- HQ, district, and CAO reorganization into customer-oriented, cross-functional teams
- FOCUS—DCMC's customer satisfaction assessment program.

A central theme which runs through all these initiatives is the need for teaming (and the enhanced communication that teaming provides) and a true customer orientation. They are being implemented on a district level.

The new command

This new command, DCMC, immediately absorbed the various Military Services' CAOs "as is, where is." Currently, there are three districts. They are:

- Defense Contract Management District East (DCMDE), Boston, MA
- Defense Contract Management District West (DCMDW), Los Angeles metropolitan area, CA, and
- Defense Contract Management District International (DCMDI), Ft. Belvoir, VA

DCMC's Mission

Mission

DCMC's mission is to administer delegated contracts for the U.S. Government. The mission elements are to

- assure contractor compliance
- accept products and services
- ensure contractor payment, and
- provide support to the Program Manager.

Authority

DCMC gets its authority from the Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS).

Role

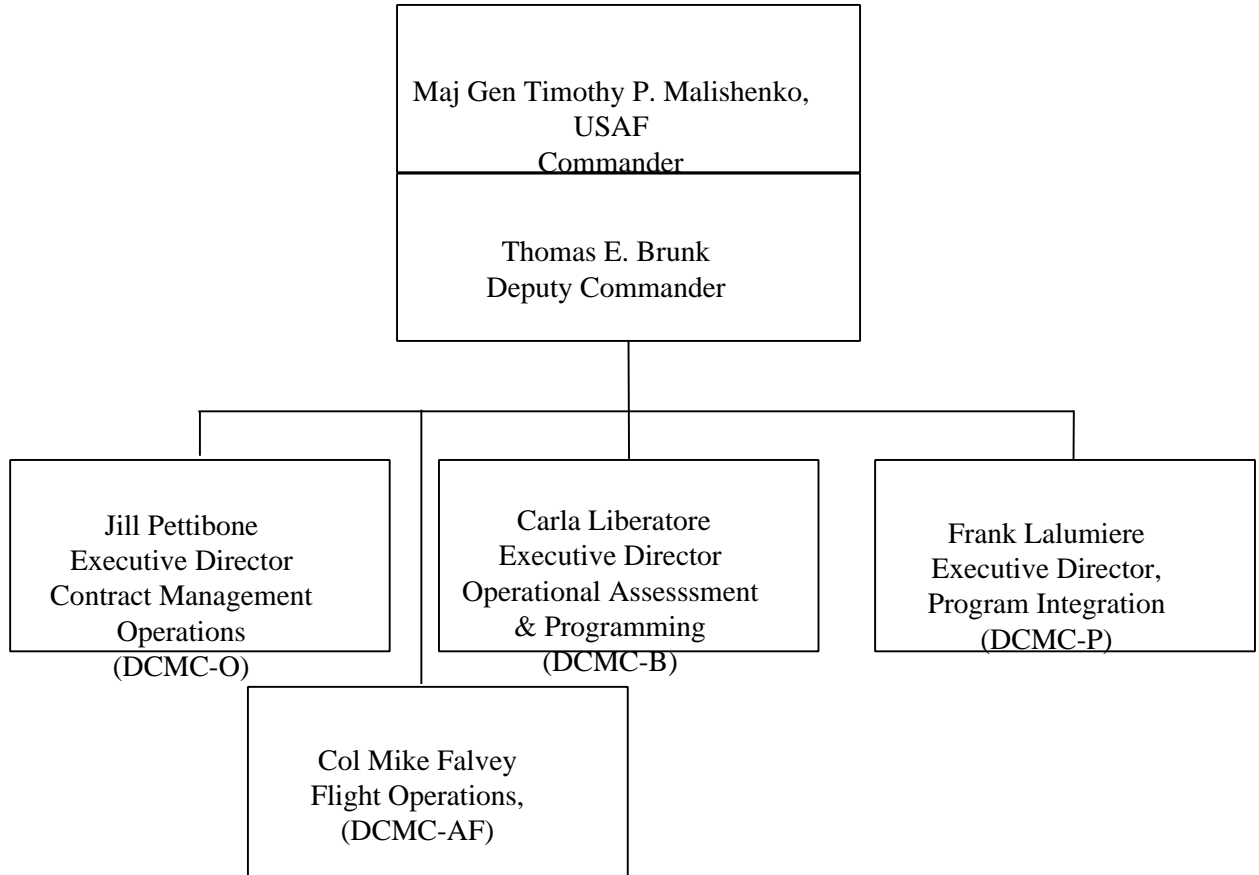
DCMC plays an important role in the acquisition process because it

- is familiar with the contractor's processes and management procedures
- fosters continuous process improvement of contractor processes and those of DCMC
- works to assure products and services are delivered
 - when and where needed
 - at the agreed upon price, and
 - as quality products that conform to specification
- performs CAS for civilian agencies (e.g., NASA) as well as DoD, and
- performs worldwide CAS as prescribed by the
 - FAR
 - DFARS
 - North Atlantic Treaty Organization (NATO) agreements and Office of the Assistant Secretary of Defense (OASD) host country CAS agreements, and
 - Defense International Security Assistance Manual (DISM) which governs foreign military sales.

DCMC's Organizational Structure

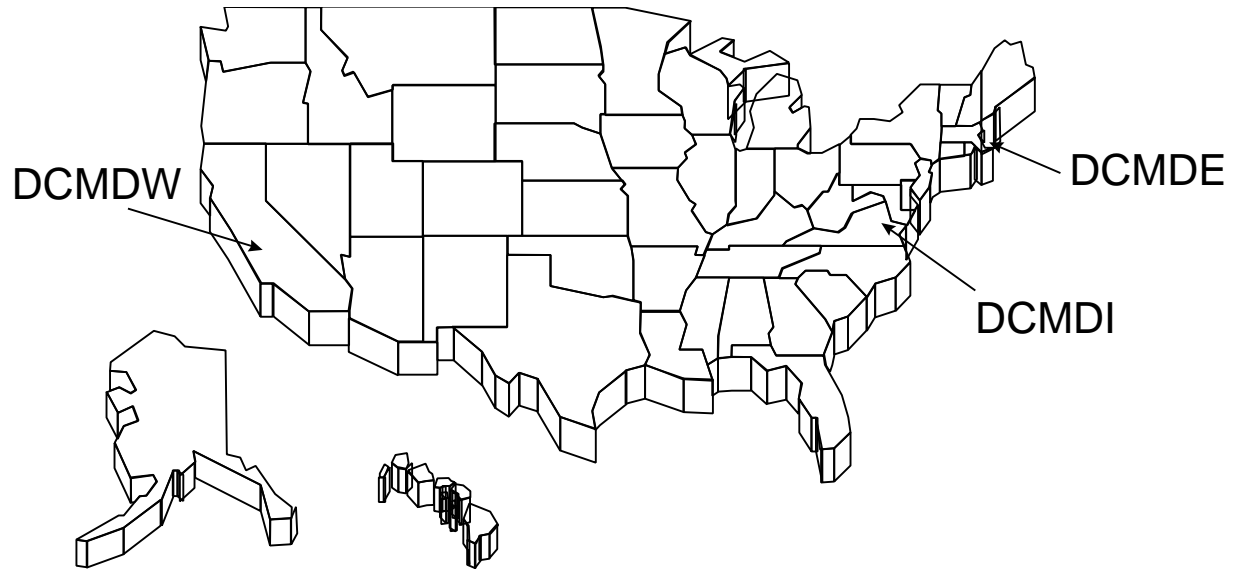
HQ at a glance

HQ DCMC is based at Ft. Belvoir in Alexandria, VA. Flight Operations falls directly under Maj Gen Timothy P. Malishenko.



Districts

This illustration shows the location of DCMC District East, West, and International.



DCMC's Support System

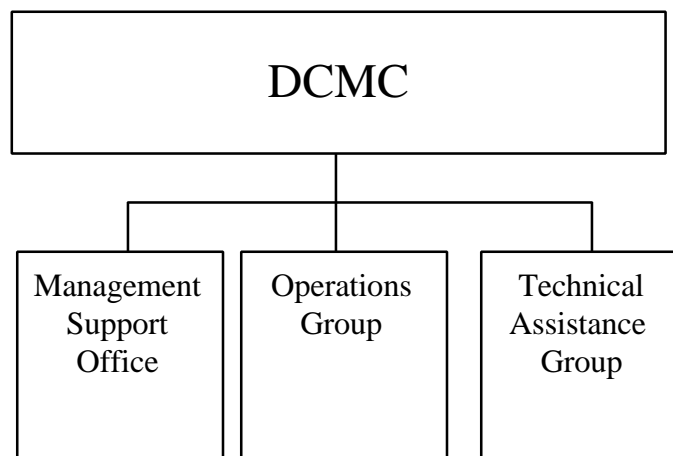
DCMCs

CAOs located and associated with a single contractor are designated by the name of the contractor, e.g., DCMC Sikorsky. CAOs with multiple contractors in a given geographic area are designated by the name of the location, e.g., DCMC Wichita.

Note: The GFR can be assigned at any one of these offices with responsibilities for flight operations in any other office within the District.

Support

This chart illustrates support available to DCMC.



Management Support Office

The Management Support Office provides assistance to DCMC:

- Administrative support to the Commander
- Budget and financial planning
- Emergency planning
- Government vehicles
- Resolution for automation problems
- Customer user groups
- Magnetic storage library

Note: Support may also be provided for the Records Management Program and Public Information Program.

Operations Group

The Operations Group generally provides multifunctional contract administrative services through teams that are based on

- programs
- geography, or
- buying command customer.

The Operations Group includes the Aviation Program and the Specialized Safety/Environmental Teams. Team activities include:

- Advising the Commander on issues related to their team assignments
- Interfacing directly with the contractor through in-plant visits or itinerant visits
- Interfacing directly with the customer to ensure adequate and timely CAS services are provided
- Ensuring implementation of CAS
 - policies
 - procedures
 - regulations, and
 - training.

Technical Assistance Group

The Technical Assistance Group consists of teams that are focused on critical CAS processes. This group also advises the Commander on all related issues. Team activities include:

- Providing technical expertise to the Operations Group in resolving problems and improving processes
- Ensuring consistent application of policies and procedures across the activity for their assigned expertise
- Providing assessments of the achievements of performance objectives:
 - Internal/external customer satisfaction
 - Team-oriented approach (in accordance with the PROCAS Initiative)
 - Mission accomplishment.

Summary

Where you are

In this section, you have learned about DoD functions and the world of DCMC, including DCMC's

- beginning
- mission, and
- support system.

Looking forward

In the next section, you will learn about the acquisition process in which you will be functioning in your role as AMM.

Section C—Acquisition Process

Overview

Introduction

As an AMM, you are a part of DLA's acquisition process. The basic purpose of the acquisition or procurement process in DLA is to obtain goods and services necessary to support our military customers. To accomplish this, a team of individuals with various responsibilities is needed. The GFR, AMM, and SSM are part of this team. Included in this section is a description of the

- acquisition team
- acquisition process, and
- role of the GFR in the acquisition process.

In this section

This section contains these topics:

- Acquisition Team
- Acquisition Process
- GFR's Role in the Acquisition Process
- GFR's Role as an Agent of the Government
- The Agent's Authority
- Liability of the Agent's Actions
- Summary

Acquisition Team

Acquisition team

The acquisition team consists of people from three main offices:

- Program Office—The requisitioners or requestors of the goods or services, also called the end-user, customer, or program manager. Team members from this office include the program manager and staff.
- Contracting Office—The acquisitioners or purchasers of the goods or services. This office includes the Procuring Contracting Officer (PCO).
- Contract Administration Services (CAS) Office—This office includes the Administrative Contracting Officer (ACO).

Together, these team members determine the "what" and the "how" of obtaining goods and services.

Other personnel involved

In addition to the above team members, personnel from other offices may be involved in various phases of the acquisition process, such as:

- The technical area (engineering, quality assurance, and safety)
- Personnel Office
- Legal Office
- Budget Office
- Cost and Price Analysis Office

Acquisition Process

Acquisition process

The acquisition process consists of the following three major phases:

- Requirement Determination
- Solicitation and Award
- Contract Administration (Post-award)

Details of each phase are included in the following charts.

Requirement Determination

The chart below describes the Requirement Determination.

Event	Responsible Team Member	Results
Acquisition process initiated by identification of a need for goods or services.	Program Manager	Requirement
Statement of Work (SOW) and Purchase Request (PR) are written.	<ul style="list-style-type: none">• Program Manager• PCO• Specifications (technical) Writer	Purchase Request and SOW
Factors and weights for evaluation of offers are identified.	<ul style="list-style-type: none">• Same as above	
Cost estimates developed.	<ul style="list-style-type: none">• Same as above	
Funds committed.	<ul style="list-style-type: none">• Budget and Fiscal Officer	Funding

Solicitation and Award

The chart below describes the Solicitation and Award phase.

Event	Responsible Team Member	Results
Identification of <ul style="list-style-type: none">• type of contract• method of procurement, and• contract terms and conditions.	PCO	Solicitation Document
Sealed bids are solicited via <ul style="list-style-type: none">• mailings• displays, and• publication of invitation for bids.		Sealed Bids or Negotiation
Negotiations conducted, if necessary.		
Offers evaluated.	<ul style="list-style-type: none">• PCO• Program Manager• Cost and Price Analyst• Legal Office	Evaluation of Bids or Evaluation of Offers
Preaward Survey conducted.	<ul style="list-style-type: none">• PCO• APT• Others	Completed Survey
Funds obligated.	Budget Office	Award
Award made.	PCO	

Contract Administration

The chart below describes the Contract Administration phase.

Event	Responsible Team Member	Results
Contract is administered to completion or termination (various tasks).	<ul style="list-style-type: none">• ACO• GFR/APT• Others:<ul style="list-style-type: none">• PI team• Legal• Cost and Price Analyst	Administration
Termination for Convenience	<ul style="list-style-type: none">• TCO• ACO	

APT members include:

- Leader—GFR
- core members—AMM or Chief of Maintenance, and SSM
- matrix support—ACO, QA, PI, PA

GFR's Role in the Acquisition Process

Preaward tasks

Since the preaward survey (PAS) is the first and one of the most important steps in the contracting process, a GFR, using APT expertise, should participate. A GFR must review the bid package to include:

- Verification of the inclusion of the appropriate DFARS clauses 252.228–7001 (Ground Flight Risk), –7002 (Aircraft Flight Risks), and –7005 (Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles)
- Familiarization with requirements of the proposed contract
- Determination if other flight operations or flight safety requirements are included
- Verification of airfield, airfield facilities, air space availability, and aircraft rescue and fire fighting (ARFF) (formerly called crash, fire, and rescue (CFR)) requirements
- Familiarization with work to be performed
- Review of historical data

A GFR prepares the survey report for the preaward survey monitor to make recommendations to the PCO detailing the suitability of the contractor to perform the contractual requirements.

Postaward tasks

After the contract has been awarded and the GFR letter of delegation has been signed, the GFR immediately begins his or her work of surveilling. The GFR teams with other DCMDs/DCMDI and contractor personnel to

- monitor contractor performance
- approve contractor procedures
- review documents to ascertain currency/qualifications of crewmembers
- perform surveys of flight and ground operations, and
- perform other administrative duties, as designated.

GFR's Role as an Agent of the Government

Introduction

A GFR is not only a representative of the PCO/ACO, but also serves as an agent of the Government. This relationship between the GFR and the Government is called "agency" and gives the GFR certain authority, responsibilities, and liabilities.

In this section, we will define what an agent is and describe agency and its importance to you.

Government agents

The two parties to a Government contract are the

- Government, and
- Contractor.

The U.S. Government is a legal entity with authority to enter into contracts and administer them; however, it is an abstract entity that must act through representatives, or agents. These agents have apparent and implied authority.

Definition: agent

An agent

- is a person authorized by another, called the principal, to act for him or her
- represents the principal to a third person, and
- is subject to the control of the principal.

Note: The principal is a person or entity who delegates authority, both express and implied, to the agent. For Government contracts, the Government is the principal and the agent is the PCO and his or her authorized representatives.

Examples: Some examples of agents that you may deal with in everyday life are

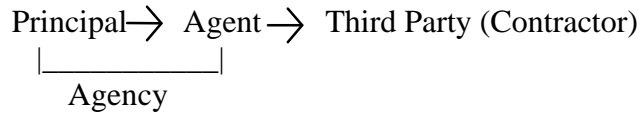
- bank cashiers, as agents of the bank, and
- sales clerks, as agents of the store.

Definition: agency

Agency is the relationship existing between the principal and the agent. The agency relationship is created when the principal authorizes the agent to act on his behalf in dealing with third parties.

Agency relationships

In Government contracts, agents (PCOs) are authorized to create, administer, modify, and terminate contractual relations between the principal (Government) and the third party (contractor). The following illustrates the agency relationship.



The third party does not have an agency relationship with the principal or the agent.

The Agent's Authority

Introduction

The agent, acting for the principal, has authority. There are two types of authority:

- Actual
- Apparent

Both types of authority can cause the third party to act and may cause liabilities for the agent and the principal.

Actual authority

Actual authority can be one of the following:

- Express authority—authority given in an appointing document such as the GFR letter of appointment.
- Implied authority—authority based on general business custom.

Apparent authority

Apparent authority is created when the agent is placed in a position in which outsiders incorrectly believe that the agent has authority to act. Apparent authority is not actual authority. The only legal authority the GFR has is actual authority.

Example: A store clerk leaves someone in charge, but says he cannot sell anything while the store clerk is gone. To customers, it appears this person has the authority of a sales clerk.

Liability of the Agent's Actions

Introduction

The principal can be bound by the acts of its agent. Because the GFR is an agent of the Government, or the principal, the courts can hold the Government liable for the acts of the GFR. This section describes this liability.

You as an AMM are not an agent of the Government. You act as an advisor to the GFR.

Liability within authority

The acts of the agent are binding on the principal as if the principal had performed those acts. Therefore, the agent should act only within the authority delegated to him or her.

The general rule is that the principal is liable for the acts of his agent when the agent performs within the limits of his or her actual or apparent authority.

Liability outside of authority

The principal is not liable for the acts of his agent when the agent exceeds his or her actual or apparent authority. When a Government agent exceeds his or her authority, the Government is not bound to these actions. However, the Government may agree to be bound by such acts through ratification.

Ratification

Ratification is the adoption of an unauthorized act by an agent. So, even though an agent did something that was not within his given authority, the Government may choose to formally accept and approve the act, for example, by modifying the contract. The Government may or may not ratify unauthorized acts.

Example of liability

The GFR told the contractor to change the specifications of the wings being used in the aircraft project because the contractor said it would balance the weight of the aircraft. The contractor makes the change and charges the Government for the increased labor due to the specification changes.

Caution

While the contract indicates that only the PCO has the authority to change the terms of the contract, the Government may be held responsible for actions taken by the contractor at the direction of the GFR. For this reason, the GFR, AMM, or SSM should coordinate with the ACO prior to giving the contractor direction in any area which may constitute a change to the contract requirements.

Summary

Where you are

In this section, you have learned about your role in the acquisition process. You learned about the

- acquisition team
- acquisition process
- agent's authority, and
- liability of your actions.

Section D—Scope of the AMM's Job

Overview

Introduction

In the previous section, we discussed the acquisition process in which the AMM plays a role. In this section, we will describe the scope of the GFR and AMM jobs.

In this section

This section contains these topics:

- GFR Authority
- Foreign Military Sales
- Responsibilities
- Limitations of Authority
- Consequences of Exceeding Authority
- Waiving the Government's Right to Consideration
- Constructive Change
- Positive Results
- Criteria for Success
- Standards for Ethical Conduct
- Violating Ethics Standards
- Summary

GFR Authority

Introduction

The GFR's scope of authority includes the specific responsibilities outlined in the letter of appointment. It is important that the GFR understands his or her authority and the responsibilities so he or she does not act outside of that authority.

Letter of delegation

The letter of delegation is the GFR's source of authority for performing duties related to the contract. The CAO Commander or the designee of the military services is the ultimate source of authority since he or she provides the letter of appointment and determines the responsibilities delegated to the GFR. In some cases the letter includes the AMM and SSM appointment also.

Regulations governing GFR authority

The following are Federal regulations and guidance which directly or indirectly address the GFR and GFR authority:

- The Federal Acquisition Regulation (FAR) does not specifically address the authority and limitations of the GFR. However, FAR 2.101 states that the CO may designate technically qualified personnel as authorized representatives to assist in the administration of the contract.
- FAR Part 42 covers contract administration.
- The Defense Logistics Agency Instruction 8210.1 specifically address guidelines for the GFR and outline areas of general and specific GFR responsibilities. (See Section E, Summary of References.)
- DLAD 5000.4 (the One Book) provides DCMC policy and process guidance to PFLAs. (See Section E, Summary of References.)
- The Department of Defense Federal Acquisition Regulation Supplement (DFARS) 252.228–7001 and –7002 are the Ground and Flight Risk Clause (GFRC) and Aircraft Flight Risk Clause respectively. (See Section E, Summary of References.)

Foreign Military Sales

What they are

Foreign Military Sales (FMS) cases occur when the U.S. Government brokers with a contractor to build aircraft, and the U.S. Government sells it to a foreign country.

Example: The U.S. Government brokers with McDonnell Douglas to make F-18s which we then sell to Finland through a letter of offer and acceptance (LOA) between the two governments.

Hold Harmless clause

In the LOA, there is a Hold Harmless clause which states that in performance of the delivery of the aircraft, if we incur any cost or liability, the foreign country will reimburse us. In other words, they will hold us “harmless.”

Purpose of the clause

The Hold Harmless clause provides indemnification for the protection of the U.S. taxpayers' money.

Example: Should a mishap occur with the loss of an FMS aircraft, pilot, and/or civilian property, liability for subsequent lawsuits and costs must be borne by the foreign country.

Surcharge

For our Contract Administration Services (CAS), we add a 1 1/2% surcharge to the face value of the contract that is charged to the foreign country. This surcharge pays for our CAS which includes the GFR when the GFRC is on contract.

Implications for the AMM

You need to understand that if you are overseeing an FMS aircraft, your job is the same as always. Do not let anyone tell you that your services on that aircraft are not needed.

Responsibilities

GFR duties

The GFR's duties fall into eight major duty areas:

- Participating in preaward surveys
- Ensuring safe and efficient contractor operations
- Conducting an initial review of the contract
- Approving Contractor's Procedures
- Managing flight operations
- Monitoring ground operations
- Conducting surveys of contractor flight and ground operations
- Performing other administrative tasks

General responsibilities

A GFR has many responsibilities. At all times he or she must be alert to detect deficient Contractor's Procedures or omissions which could affect the safety, both ground and flight, of Government property. The GFR, working with the AMM and SSM, must also make every reasonable effort to ensure that contractors operate, maintain, service, repair, and otherwise handle aircraft and Government-furnished Equipment (GFE) according to the methods, procedures, and standards specified in the contract.

AMM duties

The AMM's duties fall under the GFR's duty of monitoring ground operations. The AMM performs contract surveillance and oversight of manufacturing, modification, maintenance, inspection and operation of aircraft and related support equipment. He or she monitors and evaluates contractor ground operations procedures for flightline tasks such as towing, jacking, mooring, refuel/defuel, fuel system maintenance, oxygen servicing, weapons/explosive handling, engine ground operation, aircraft forms documentation, and other critical operations.

Limitations of Authority

Importance

Limitations of the GFR authority bring about limitations of the AMM, so it is important that you know what limitations exist. Limitations of the GFR's authority are important to understand since exceeding these limitations may subject the Government to an obligation to pay the contractor for the cost of implementing a suggestion.

This section covers the limitations on GFR, AMM, and SSM actions. Later, we will look at the consequences of exceeding these limitations.

Limitations

The authority delegated to a GFR is subject to the following limitations:

The GFR, AMM, or SSM cannot

- sign contracts, including
 - purchase orders
 - delivery orders
 - modifications, or
 - supplemental agreements
- obligate the Government in any way with respect to the payment of money
- make a decision in any contract dispute
- terminate the contract
- redelegate GFR authority
- waive or alter any requirements of the contract, either directly or by implication, or
- make any agreement or commitment involving a change in any provision of the contract such as:
 - price
 - quantity
 - quality
 - period of performance, or
 - delivery schedule
- authorize or direct the contractor to perform any work which would constitute a change under the Changes Clause or is outside the contract's specification
- order or accept goods or services unless expressly delegated to do so

The GFR, AMM, or SSM cannot

- issue a start or stop work order to a contractor except in the extremely unusual circumstance of an immediate and critical safety hazard
- authorize the delivery or disposition of Government property which is not clearly identified as a requirement of the contract
- discuss acquisition plans or provide any advance information that might give one contractor an advantage over another in forthcoming procurement
- make commitments or promises to any contractor related to the award of a contract
- become involved in the contractor's internal matters or in any way create the appearance that the contractor's employees are in effect employees of the Government
- withdraw the Government's assumption of risk under the GFRC, or
- assign work to, or supervise contractor employees, or tell the contractor to hire or fire an individual.

Consequences of Exceeding Authority

Importance

APT members must be mindful not to exceed authority. When you take improper actions, consequences may result which involve Government and/or your own personal liability. These consequences may cost the Government thousands of dollars in changes to the contract and claims against the Government.

In this section, we will look at the consequences of

- waiving the Government's right to consideration, and
- constructive changes.

When you have a question

When you have a question about your authority or other legal issue, contact your ACO and/or Office of Counsel.

Contract disputes

When there is a contract dispute, the following occurs:

- Initiation of the claims process
- Issuance of a final determination
- Appeal to the Armed Services Board of Contract Appeals (ASBCA)
- Issuance of a ruling by the Board

Waiving the Government's Rights to Consideration

Government rights

The Government has certain rights under the contract, including the rights to

- terminate the contract
- require corrective action when contractor performance is deficient, or
- accept nonconforming work in exchange for some type of consideration.

This consideration is something of value, either monetary or an additional contract right. Failure to promptly enforce these rights can result in the Government waiving its rights to take these actions or to obtain consideration.

How this occurs

The Government may lose its right to reimbursement for deficient performance if the GFR or any other agent of the Government

- fails to identify deficient performance
- fails to take action in response to deficient performance, or
- insists that the contractor continue to perform incorrectly.

Remember

Remember that the Government can lose its right to terminate the contract for default as a result of deficient performance or the right to demand corrective action.

Example 1

Once the Government accepts a defective product, it must keep the product (absent a showing of fraud, latent defect, or gross negligence amounting to fraud).

Example 2

Although the GFR has an obligation to make the contractor comply with the contract requirements to the letter, there is always the possibility that if the prior GFR was too lenient, the Government may have to pay in the end.

Consider this case: The contractor has had a tool control program in place and approved by the former GFR for a long time, and the new GFR comes in and says the program is inadequate and certain changes are necessary (and expensive).

The contractor may be able to argue that the existing program has been acceptable for a long time, that the price of the current contract was based upon the understanding that the existing program was acceptable to the Government, and the additional cost of implementing a new program is unfair.

There is a possibility that the Board would rule that the Government be stopped from requiring the contractor to make the changes without compensation for the additional costs.

Consequences

When the Government waives its rights, it

- loses money because it must pay for inferior or unwanted products or services, and
- cannot claim compensation for deficient performance.

In addition, failure to require conformance to the contract provisions undermines the competitive procurement system by reducing the confidence of competing firms in Agency procurement procedures.

This can lead to the Government's being held to the legal principle of "prior course of dealing." This means that in future contracts, the courts can hold the Government to accepting a reduced level of performance, based on how it dealt with contractors in the past.

Constructive Change

Definition

A constructive change is any change made by a PCO/ACO or any authorized Government official (such as a GFR) which is not a formal change, but which has the effect of requiring the contractor to perform work different from that prescribed by the original terms of the contract.

Elements of a constructive change

The following are key elements of a constructive change. All five must be present before a constructive change has occurred. The change

- is based on the conduct of an authorized Government official
- was not formally directed under the Changes Clause
- requires the contractor to perform work
- includes work being different from or in addition to work required by the terms of the contract, and
- involves the contractor, in good faith, performing as a result of Governmental direction.

Example of a constructive change

During a review of the Contractor's Procedures, a GFR requires the contractor to foam shadow box all the tools over and above the requirements in Military Standards, (MIL-STD 980). This method requires the contractor to purchase foam cutouts and to adapt them to all the tool kits.

As a result, the contractor submits a request for additional compensation to meet the new standards.

Causes

A constructive change is a "change by implication" and can take many forms, oral or written. The GFR could cause a constructive change by

- an affirmative act
- failure to act, and/or
- a formal or informal action.

Nonexample

A constructive change has not occurred when

- a change is made pursuant to the Changes Clause
- an offhand remark is made by a Government official

- the contractor makes a voluntary change, and/or
- option clauses are properly exercised.

Consequences

When a constructive change occurs, the Government often has to ratify, or adopt, the change. This means that the Government may pay for

- additional work
- unwanted goods and services, or
- goods and services that do not match the contract requirements.

Additional consequence

An additional consequence is that the Government will choose to deny that the direction given by the Government official is outside the scope of the contract. In these circumstances, the contractor may file a claim, and if that is denied, he or she may file an appeal before the Armed Services Board of Contract Appeals (ASBCA).

Positive Results

Benefits

When the APT members successfully perform responsibilities within their authority, the benefits to the Government are

- early detection of deficient procedures/omissions which could affect the safety, both ground and flight, of the aircraft, and
- assurance that the contractor operates, maintains, services/repairs, and otherwise handles military aircraft according to the methods, procedures, and standards specified in the contract.

Criteria for Success

GFR evaluation

The District Chief of Flight Operations (CFO) will evaluate GFR's performance annually to determine whether they have successfully performed their GFR assignment.

The following describes criteria which the CFO or GFR can use as a measure of successful performance. The GFR has been successful if he or she

- acts within the scope of his or her delegated authority
- performs in accordance with the GFR requirements, specified in the FAR and DLAMs
- performs all duties in an ethical manner
- properly maintains records of contractor performance and administrative actions taken
- reviews materials in a timely manner and with proper justification for approval/disapproval
- maintains open lines of communication with APT members and the contractor
- promptly notifies the ACO of problems/concerns
- completes all paperwork, and
- attends all scheduled meetings/conferences.

AMM evaluation

The AMM's supervisor, usually the GFR, is responsible for completing the AMM's evaluation.

Standards for Ethical Conduct

Introduction

This section describes the sources of ethical standards, and briefly outlines two standards important to your assignment:

- Conflicts of interest
- Gratuities

Ethics training

It is not the purpose of this section to provide training on ethical standards of conduct. You should receive at least 1 hour of ethics training annually from a qualified individual. The complete DoD Directive 5500.7, Standards of Conduct, and the DoD 5500.7–R, Joint Ethics Regulation (JER), are available for review in your local ethics counselor's office.

Ethics regulations and laws

Your primary source of ethics and standards of conduct guidance is the U.S. Office of Government Ethics regulation (effective February 3, 1993) 5CFR 2635, Standards of Conduct for Employees of the Executive Branch. JER is the DoD supplement to these uniform standards of conduct for Government employees. There is no DLA implementing regulation.

Principles of ethical conduct

The Standards of Ethical Conduct for Employees of the Executive Branch contains standards for the following areas:

- General provisions
- Gifts from outside sources
- Gifts between employees
- Conflicting financial interests
- Impartiality in performing official duties
- Seeking other employment
- Misuse of position
- Outside activities

The President's Executive Order 12674, April 12, 1989, also outlines principles for ethical conduct.

When you need help

When you need help on an ethics issue, you will find the Ethics Counselor in the local Office of Counsel.

Conflicts of interest

As an AMM, you must avoid any conflict between your personal interest and the performance of your official duties. As a result, you will be generally prohibited from

holding any kind of interest in a contractor you have cognizance of in your capacity as an AMM.

The chart below lists and describes conflicts of interest.

Conflicts of Interest	Description
Financial interests	<p>There is a criminal ban on personal and substantial participation by Federal employees in any matter in which they, <i>their spouses, minor children, partners, entities in which they are serving as officers, directors, trustees, partners or employees, or entities in which they are negotiating or have arrangements concerning prospective employment</i>, have a financial interest.</p> <p>Wages, salaries, dividends, or other income are financial interests.</p>
Personal and business relationships	<p>The JER prohibits an AMM from participating in official matters involving any persons with whom they have a personal or business relationship that might reasonably cause their impartiality to be questioned. These relationships are described in the JER.</p>

Gratuities

The acceptance of gratuities or gifts is an important aspect of ethical standards. Contractors frequently offer gratuities to their suppliers and business associates, such as

- Free meals
- Liquor
- Other gifts

Federal employees are prohibited from accepting or soliciting these gifts from "prohibited sources."

Exceptions

There are certain exceptions described in the JER. For instance, contractor's gratuities may be accepted when they are unsolicited gifts with a market value of less than \$20.00, provided that the total market value of individual gifts received from any one person does not exceed \$50.00 in a calendar year.

Appearance of unethical behavior

Some actions by the AMM may not directly violate ethical standards but may create the appearance of a conflict of interest. The AMM should avoid any actions which could create the appearance of unethical behavior from the public's point of view.

Ethics questions

When you have questions concerning whether a particular action violates ethical standards, you should seek the assistance of the Ethics Counselor in the local Office of Counsel.

Violating Ethics Standards

How this occurs

The AMM violates ethics standards if he or she acts outside of any of the Joint Ethics Regulation principles (see section on "Standards for Ethical Conduct"). The AMM has violated the ethics standards in two specific cases, if he or she

- accepts a gratuity, or
- has a conflict of interest.

Examples

The following are examples of situations when the AMM has violated the ethics standards:

- The AMM works with a contractor in which he or she has personal interest, such as stock ownership.
- MSgt Joe Smith, an AMM, joins the contractor's project manager for dinner which costs \$25.00 and allows the Project Manager to buy his meal.
- Chief MSgt John Jones, an AMM, is appointed to a contract for F-16 maintenance. His wife is a programmer for the contractor's company.

Nonexamples

The following are examples of AMM actions in which the AMM has not violated the Standards of Conduct:

- The AMM, the Project Manager, and the contractor's vice-president hold a breakfast meeting. The AMM pays for his own meal.
- John is the AMM for the Comanche contract. His neighbor is a foreman for the company.

Consequences

When the AMM violates the Standards of Conduct prohibitions, the consequence to the Government is that the integrity of contracting in the Government is diminished. The consequences to the AMM, however, are more severe. The AMM could be

- removed from AMM duties
- removed from his job and possibly Government service, and/or
- convicted of committing a criminal act.

Summary

Where you are

In this section, you have learned about the scope of your job as an AMM. Remember to write any questions you have about this section on the second page of this document.

Looking forward

In the next section, you will find a summary of reference documents with which every AMM must be familiar. Look them over before you go to class.

Remember

Take this pre-course study unit and your contractor's pre-mishap plan with you to class.

Section E—Summary of References

Overview

Introduction

This section outlines references you will need to know. They include:

- DLAD 5000.4—Contract Management (One Book) (DLAD 5000.4, Chapter 8 covers contractor and military flight operations)
- DLAI 8200.4—Mishap Notification and Investigation Procedures for DLA Administered Contracts (17 Jan 97)
- DLAI 8210.1—Contractor's Flight and Ground Operations
- DLAM 8200.5—In-Plant Quality Evaluation (IQUE)
- Tri-Service Agreement
- FAR/DFARS
- FAR Part 42—Contract Administration
- DFARS 228.370—Contract Clauses
- DFARS 252.228–7001—Ground and Flight Risk
- DFARS 252.228–7002—Aircraft Flight Risks
- DFARS 252.228–7005—Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles
- MIL–STD 980—Foreign Object Damage (FOD) Prevention in Aerospace Products
- Ready References
- Forms/Report Formats

DLAD 5000.4—Contract Management (One Book)

Purpose

The purpose of DLAD 5000.4 is to implement DCMC policy for the performance of contract administration functions listed in the FAR and DFARS. These functions provide customer support to PMs and PCOs. DLAD 5000.4 provides contract management processes for DCMC operational personnel use in satisfying contract administration and customer support requirements. Included in the directive are descriptions of technical processes performed by DCMC personnel.

Flight operations

DLAD 5000.4, Chapter 8.1, is dedicated to Contractor Flight Operations. GFRs, AMMs, and SSMs have particular interest in this chapter. It is outlined below.

Outline

Chapter 8.1, Flight Operations, contains details concerning the following topics:

- Flight Operations input/output process flowchart
 - Input: DCMC Flight Management Program Requirement
 - Output: Aircraft submitted for acceptance and/or Flight Operations Report
- References
- General information
- Process narrative
 - Review contract and determine staffing
 - Monitor day-to-day flight operations
 - Evaluate and provide air crew training
 - Establish and perform flight safety program and training
 - Conduct flight operations surveys
 - Assist with mishap notification and response
 - Accept aircraft; submit flight operations report
- Synopsis of process
- Metrics

DLAI 8200.4—Mishap Notification and Investigation Procedures for DLA Administered Contracts (17 Jan 97)

Purpose

DLAI 8200.4 establishes responsibility and procedures applicable to notification, investigation, and recording of mishaps associated with DCMC administered contracts. These procedures are used to notify the applicable Service Component and DCMC command level that a reportable mishap has occurred, provide information on the progress of the investigation, and impact on contract performance and production base.

This instruction implements Department of Defense Instruction (DoDI) 5160.65–M, Single Manager for Conventional Ammunition. It also facilitates implementation of DoDI 6055.7, Mishap Investigation, Reporting, and Recordkeeping.

It also provides restrictions on handling, release, and dissemination of information concerning mishaps, safety investigations, and safety reports.

Applicability and Scope

This instruction is not applicable to DLA reportable mishaps. Such mishaps should be reported in accordance with DLA 6055.1, DLA Safety and Health Manual.

Definitions

Definitions in this instruction include the following:

- Aircraft Flight Mishap
- Aircraft Flight-Related Mishap
- Aircraft Ground Mishap
- Ammunition and Explosives (A&E)
- Chemical Surety Material (CSM)
- A&E Mishap
- CSM Mishap
- DoD Aircraft
- DoD Mishap
- Foreign Object Damage (FOD)
- Industrial Mishap
- Intent for Flight
- Missile
- Missile Mishap

Procedures

This instruction outlines

- POCs for prompt notification of all mishaps reportable in accordance with the terms of DCMC administered contracts
- DCMC investigation responsibilities for mishaps
- Requests from the service component for DCMC investigation and reporting of certain mishaps
- Reporting injuries to Government employees during mishaps at contractor facilities as a result of contractor operations
- DCMC HQs assignment of a technical representative to a Safety Mishap Investigation Board
- Who will accomplish the requirements of this instruction
- Information for contracts outside U.S. custom boundaries

Responsibilities

Responsibilities of the following people are detailed in this instruction:

- Commanders, DCMC
- DCMD Commanders
- DCMD Chief, Flight Operations (CFO) and Specialized Safety Manager (SSM)
- DCMC CAO Commanders
- DCMC CAO FO&SS Personnel

Procedures

Procedures that are included in this instruction involve the following:

- Notification criteria
- Notification format and suspense
- Mishap Notifications Information and Uses
- Limited-Use of Safety Mishap Investigation Reports

Effective date

Information requirements

Enclosures

Enclosures include:

- Aircraft, Aircraft Ground, Missile or FOD Mishap Notification Format

- Ammunition/Explosive/Chemical Surety Material Mishaps Notification Format

DLAI 8210.1—Contractor's Flight and Ground Operations

Titles

DLAI 8210.1, is also known as

- AFJI 10-220
- AR 95-20, and
- NAVAIRINST 3710.1D

Very important: **This is a Tri-Service Instruction.**

Purpose

DLAI 8210.1 (26 Oct, 99), establishes requirements for all ground and flight operations involving all work performed on Government aircraft. It provides guidance and direction to the contractor to ensure safe and effective operations. It also provides guidance to GFRs.

Specifically, this Instruction describes the required elements of the contractor's aircraft ground and flight operations Contractor's Procedures and defines the method of obtaining approval for these Contractor's Procedures. It provides for the delegation of authority for such approvals, regardless of Service affiliation.

Notice

For your information, there are two older versions, one dated April 1979, and another dated 22 November, 1991, either of which may be on contract at your facility. They follow, although not identically, the guidance of the 26 Oct, 99, version.

Application

This Instruction applies to all Army, Navy, Air Force, DLA programs, and GFRs who approve Contractor's Procedures and to contractor personnel whose duties pertain to the operations of any aircraft for which the Government is assuming some of the risk of loss or damage.

Layout

The basic Instruction describes definitions and overall rules governing contractor operations. The remainder of the Instruction is laid out as follows:

- Enclosure 1— Acronyms
- Enclosure 2— Contractor Flight Operations
- Enclosure 3— Contractor Ground Operations
- Enclosure 4— GFR Procedures

DLAM 8210.1, Vol. 2—Government Flight Representative Guidance

Purpose

Prior to the publication of DLAI 8210.1, this manual (DLAM 8210.1, Vol. 2 (22 Nov 91)) established policy and procedures to be followed by the GFRs and applied to all Army, Navy, Air Force, Marine, and DLA GFRs. Current GFR guidance can now be found in the DLAI in Enclosure 4. Even if you have an older version of the Joint Instruction (the Nov, 91, or Apr, 79 versions) on contract, GFRs must now follow the guidance in Enclosure 4 of the current DLAI. **So here's what you really need to know about Vol. 2... it's been superceded by Enclosure 4 of the new instruction regardless of which instruction is listed in your contract.** This does not mean contractors must automatically comply with the new DLAI. Contractors only follow what's currently on contract.

DLAM 8220.3—Flight Operations and Flight Safety Manual

Purpose

This manual provided guidance to all DLA activities engaged in flight operations. It implemented the Tri-Service Agreement on Policy and Procedures for Support and Accomplishment of Flight Test, Acceptance, Flight Safety, and Flight Operations, 21 April 1992. It has been superceded by DLAD 5000.4, Chapter 8.2, Military Flight Operations. Since this is a DLAD, it does not apply to non DLA organizations. Further, virtually all GFR guidance previously found in 8220.3 has been removed and placed in DLAD 5000.4, Chapter 8.1. We will not be covering Chapter 8.2 during the GFR course. DCMC GFRs should read this Chapter once it becomes available on DCMC's web page.

DLAM 8200.5—In-Plant Quality Evaluation (IQUE)

Purpose

DLAM 8200.5 describes a Government In-Plant Quality Evaluation (IQUE) program meeting the policy requirements of the FAR part 46 and DFARS part 246, Quality Assurance (QA).

Contents

This DLAM contains Acronyms and Abbreviations, List of Forms, and these Sections:

- I-IQUE Concept
- II-IQUE Methodology
- III-Special Subjects and Guidance

Sections I and II are very short.

Section III

Section III is lengthy and contains these parts:

Part 1—Contract Provisions, CAO QA and Related Functions, and Distribution of Contracts to CAO AQ Components

Part 2–Safety

Part 3–CAO QA Support to NASA, Other Non-DoD Agencies, Canada, and Other Foreign Governments

Part 4–Postaward Orientation Conferences

Part 5–First Article Testing and Approvals

Part 6–Engineering Changes

Part 7–Control of Nonconforming Supplies and Services

Part 8–Request for Waiver (RFW)

Part 9–Nonconforming Material(s) Review (MR)

Part 10–Request for Deviation (RFD)

Part 11–Authorizing Shipment of Supplies

Part 12–Quality Assurance Stamping

Part 13—Quality Assurance Deliverable Technical Data

Part 14–Configuration Management

Part 15–Qualified Products List/Qualified Manufacturer Lists (QPL/QML)

Part 16–Reliability and Maintainability

Part 17–DoD Parts Control Program

Part 18–Government Personnel Qualifications for Processes, Visual Acuity, and Color Blindness

Part 19–Government In-Plant QA Procedures Unique to Maintenance and Overhaul Contracts

Part 20–Quality Assurance Engineering

Part 21–Government In-Plant QA Procedures Unique to Clothing and Textiles

Tri-Service Agreement

Purpose

Tri-Service Agreement on Policy and Procedures for Support and Accomplishment of Flight Test, Acceptance, Flight Safety, and Flight Operations, effective 30 April, 1999, is a document signed by the Army, Navy, and Air Force. It includes policy statements and procedures for the support and accomplishment of the following elements at contractor facilities:

- Flight test and acceptance
- Flight operations
- Flight safety

Assignment

DLA is assigned DoD contract administration responsibilities at contractor plants/facilities. DLA is responsible for

- managing the flight test and acceptance of Government aircraft
- approving contractor flight crews and procedures, and
- assuring the contractor maintains a flight operations and flight safety program.

Flight personnel

Flight personnel from the Military Departments are assigned to DLA activities to perform the responsibilities listed above.

DLA responsibilities

DLA is responsible for

- exercising flight management control of assigned Military aircrews and monitoring their utilization
- managing Military aircraft and other assets associated with its flight activities
- publishing a flight management regulation, and
- ensuring assigned aircrew proficiency, currency in mission aircraft, and annual flying minimums.

DLA/DCMC field activities

DLA field activities are responsible for

- preparing agreements with the nearest appropriate Military flight operations facility
- providing and maintaining flight records, personal flight equipment, and physical examinations for all aircrew personnel, and

- ensuring the appropriate Military department is notified of flight/ground mishaps.

Military Departments

Military Departments are responsible for

- instructing their procuring offices to provide the earliest possible notification to DLA of the placement or potential placement of aircraft contracts which involve flight and acceptance responsibilities
- ensuring that properly qualified aircrew personnel are provided to DLA in a timely manner
- retaining mishap accountability and reporting responsibilities for aircraft mishaps associated with contracts administered by DLA, and
- providing news releases pertaining to aircraft mishaps.

FAR/DFARS

Objective

The GFR should know the contents and applications of the FAR and DFARS which govern acquisition regulations and the GFR's role in ensuring compliance. They are listed below. The outline of these regulations follows.

- FAR Part 42
- DFARS 228.370
- DFARS 252.228–7001
- DFARS 252.228–7002
- DFARS 252.228–7005

FAR Part 42—Contract Administration

Summary

Part 42 of the FAR covers Contract Administration. Subparts include:

- 42.1 Interagency Contract Administration and Audit Services
- 42.2 Assignment of Contract Administration
- 42.3 Contract Administration Office Functions
- 42.4 Correspondence and Visits
- 42.5 Postaward Orientation
- 42.6 Corporate Administrative Contractor Officer
- 42.7 Indirect Cost Rates
- 42.8 Disallowance of Costs
- 42.9 Bankruptcy
- 42.10 Negotiating Advance Agreements for Independent Research and Development of Bid and Proposals
- 42.11 Production Surveillance and Reporting
- 42.12 Novation and Change-of-Name Agreements
- 42.13 [Reserved]
- 42.14 Traffic and Transportation Management
- 42.302 Contract Administration Functions

DFARS 228.370—Contract Clauses

Purpose

This DFARS prescribes clauses which should appear in the contract. Some of these clauses include:

- DFARS 252.228–7001
- DFARS 252.228–7002, and
- DFARS 252.228–7005

These clauses are described on the following pages.

DFARS 252.228–7001—Ground and Flight Risk

Summary

The Ground and Flight Risk clause is prescribed in DFARS 228.370(b).

Section (b) of this clause states:

Except as may be specifically provided in the Schedule as an exception to this clause, the Government assumes the risk of damage to, or loss or destruction of aircraft "in the open," during "operation," and in "flight." The contractor shall not be liable to the Government for such damage, loss, or destruction.

Definitions

Section (a) of this clause lists definitions of the following:

- Aircraft
- Contractor's premises
- Flight

Conditions

Section (c) of this clause describes conditions under which the Government's assumption of risk for the aircraft shall be discontinued.

Excluded conditions

Section (d) of this clause describes conditions under which the Government's assumption of risk shall NOT extend related to damage, loss, or destruction of aircraft.

Contractor risk

Section (e) of this clause describes contractor responsibility for the first \$1,000 of loss or damage to aircraft.

Subcontractor liability

Section (f) of this clause describes subcontractor liability.

Contract price

Section (g) of this clause states what insurance coverage the contract price does not include.

Contractor responsibility

Section (h) of this clause describes contractor responsibility in the event of damage, loss, or destruction of the aircraft.

Government responsibility

Section (i) of this clause describes Government responsibility in the case of aircraft damage, loss, or destruction prior to delivery and acceptance by the Government.

Contractor reimbursement

Section (j) of this clause describes what happens in the event that the contractor is reimbursed or compensated by a third person for damage.

Operating procedures

Section (k) of this clause lists combined regulations which contain the operating procedures which the contractor agrees to be bound by.

DFARS 252.228-7002—Aircraft Flight Risks**Definitions**

Section (a) of this clause lists definitions of the following:

- Aircraft
- Flight
- Flight crew members

Precedence

Section (b) of this clause states that this clause takes precedence over any other provision of this contract.

Summary

Section (c) of this clause states:

Unless the flight crew members previously have been approved in writing by the Contracting Officer, the contractor shall not be—

- (1) relieved of liability for damage, loss, or destruction of aircraft sustained during flight;
or
- (2) reimbursed for liabilities to third persons for loss or damage to property or for death or bodily injury caused by aircraft during flight.

Equitable adjustment

Section (d)(1) states conditions when the loss, damage, or destruction of aircraft during flight is subject to an equitable adjustment.

Operating procedures

Section (e) of this clause states that the Contractor agrees to be bound by the operating procedures contained in the joint regulation: "Contractor Flight Operations" in effect on the date of contract award.

DFARS 252.228–7005—Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles**Summary**

The Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles clause is prescribed in 228.370(b).

This clause briefly states Contractor responsibility in the case of an accident.

- Contractor shall report promptly to ACO all pertinent facts relating to each accident.
- Contractor will cooperate and assist the Government's personnel during an investigation of an accident.
- Contractor will include a clause in subcontracts to require subcontractor cooperation and assistance in accident investigations.

MIL-STD 980—Foreign Object Damage (FOD) Prevention in Aerospace Products

Purpose

This document provides guidance for FOD prevention programs.

Scope

Section 1 describes the scope of the FOD program requirements.

Reference documents

Section 2 lists Government reference documents.

Definitions

Section 3 includes definitions of

- Foreign Object (FO)
- Critical FO
- Noncritical FO
- Foreign Object Damage (FOD)
- FOD Prevention Program, and
- Potential FOD.

General requirements

Section 4 lists general requirements for an effective FOD prevention program, these include:

- Implementation
- Procedures
- Periodic evaluation
- Control of subcontractors and suppliers
- Procedures review/program evaluations

Detailed requirements

Section 5 states that detailed requirements for this standard are specified in the appendices and are applicable only to the extent specified in the contract.

Notes

Section 6 includes a paragraph describing data requirements.

Appendix A

Appendix A describes identification and elimination of potential FOD hazards through engineering design emphasis.

Appendix B

Appendix B describes control of debris during maintenance/manufacturing operations.

Appendix C

Appendix C describes prevention of FOD during engine test cell activities.

Appendix D

Appendix D describes prevention of FOD during flight line maintenance/launch operations.

Appendix E

Appendix describes investigation and reporting of FOD incidents.

Appendix F

Appendix describes FOD prevention training.

Appendix G

Appendix G describes what the FOD prevention focal point will do.

Appendix H

Appendix H describes tool accountability and hardware control.

Ready Reference

Reference

The following table is a ready reference with a cross index of information the GFR needs.

When you need	See	Section
Request for approval for qualification training format	DLAI 8210.1	Enclosure 2 Attachment 2
Request for approval of contractor flight crewmember format	DLAI 8210.1	Enclosure 2 Attachment 4
Designating Government Flight Representative form	DLAI 8210.1	Enclosure 4 Attachment 1
Contractor flight and ground operations survey elements	DCMC Flight Operations Performance Based Assessment Guide	See DCMC's Flight Operations Web Page
Sample format for flight operations/flight safety survey report	DLAI 8210.1	Enclosure 4 Attachment 3
Sample Format for requesting supporting administration of flight operations	DLAI 8210.1	Enclosure 4 Attachment 2
DLA Form 644, request for flight approval (sample)	DLAI 8210.1	Enclosure 2 Attachment 1
Metrics	DLAD 5000.4	Chapters 8.1 and 8.2
DLA Military Flight Operations Review Procedures	DCMC Flight Operations Internal Operations Assessment Process	See DCMC's Flight Operations Web Page

Forms/Report Formats

Forms

Forms you may need include:

Purpose	Form
Request for Flight Approval.	DLA Form 644
Request for Formal Training.	DD Form 1556
Contract Deficiencies.	DD Form 1716
Used by procuring activity.	SF 1403
Record individual flight crewmember records and approval to operate Government aircraft.	DD Form 1821, Office of Management and Budget (OMB) Approval No. 0704–0188 (see 8210.1, vol. 1 p.11)
Crewmember requiring check ride (test).	Standardization and Evaluation Form
Report a mishap.	Format in DLAR 8200.4, Enclosure 1

Section F–Acronyms

A

A&E	Ammunition and Explosives
A&T	Acquisition and Technology
ABC	Activity Based Cost
ACAT	Acquisition Categories
ACF	Acceptance Check/Test Flight
Acft	Aircraft
ACO	Administrative Contracting Officer
ACP	Administrative Change Proposal
AFLC	Air Force Logistics Command (now AFMC)
AFM	Area Fuels Manager
AFMC	Air Force Materiel Command
AFOSHA	Air Force Occupational Safety and Health Association
AFR	Air Force Regulation
AFPRO	Air Force Plant Representative Office
AFSC	Air Force Systems Command (now AFMC)
AFTO	Air Force Technical Order
AGL	Above Ground Level
AGSE	Aircraft Ground Support Equipment
ALSE	Aircrew Life Support Equipment
AMCCOM	Armament Munitions and Chemical Command
AMM	Aviation Maintenance Manager
AMOC	Aircraft Maintenance Officers Course (Army)
AMSDL	Acquisition Management Systems and Data Requirements Control List
ANSI	American National Standards Institute
AO	Area Office
AOR	Area of Responsibility
APT	Aviation Program Team
APU	Auxiliary Power Unit
AR	Army Regulation
ARFF	Aircraft Rescue and Fire Fighting
ARMS	Aviation Resource Management Survey
ARPRO	Army Plant Representative Office
ASBCA	Armed Services Board of Contract Appeals
ATC	Air Traffic Control
ATCOM	Aviation and Troop Support Command
ATE	Automatic Test Equipment
ATP	Aircrew Training Program
AVSCOM	U.S. Army Aviation Systems Command (now ATCOM)

B

BOA	Basic Ordering Agreement
BOM	Bills of Material

C

CA	Corrective Action
CAB	Corrective Action Board
CADCAM	Computer Aided Design, Computer Aided Manufacturing
CDRL	Contract Data Requirements List
CAR	Corrective Action Request
CAO	Contract Administration Office
CAS	Contract Administration Services
CASC	Contract Administration Services Component
CCP	Contract Change Proposal
CDR	Critical Design Review
CECOM	Communications and Electronics Command
CFO	Chief of Flight Operations
CFR	Crash Fire Rescue
CI	Configuration Item
CIO	Continuous Improvement Opportunity
CLIN	Contract Line Item Number
CLS	Contractor Logistics Support
CM	Configuration Management
COC	Certificate of Conformance
CONUS	Continental United States
COR	Contracting Officer Representative
CPFF	Cost Plus Fixed Fee
CPL	Customer Priority List
CQA	Contract Quality Assurance
CSM	Chemical Surety Materials

D

DAE	Defense Acquisition Executive
DCMC	Defense Contract Management Command
DCMDE	Defense Contract Management District East
DCMDI	Defense Contract Management District International
DMCDW	Defense Contract Management District West
DCMD	Defense Contract Management District
DESC	Defense Electronics Supply Center
DFARS	DoD Federal Acquisition Regulation Supplement
DFSC	Defense Fuel Supply Center
DID	Data Item Description
DIS	Defense Investigative Service
DISM	Defense International Security Assistance Manual
DLA	Defense Logistics Agency
DLAH	Defense Logistics Agency Handbook
DLAM	Defense Logistics Agency Manual
DLAR	Defense Logistics Agency Regulation
DMRD	Defense Management Review Directive

DNIF	Duty Not Including Flying
DoD	Department of Defense
DoDI	Department of Defense Instruction
DMA	Defense Mapping Agency

E

ECI	Extension Course Institute
ECM	Electronic Countermeasures
ECP	Engineering Change Proposal
ECR	Engineering Change Request
EDR	Engineering Design Review
EMS	Executive Management Service
EOD	Explosive Ordnance Disposal
EPA	Environmental Protection Agency
EWO	Electronic Warfare Officer

F

FAA	Federal Aviation Administration
FAR	Federal Acquisition Regulation
FAR	Federal Aviation Regulation
FCF	Functional Check Flight
FCIF	Flight Crew Information File
FE	Flight Examiner
FEF	Flight Evaluation Folder
FMS	Foreign Military Sales
FO&SS	Flight Operations and Specialized Safety
FOCUS	DCMC's Customer Satisfaction Assessment Program
FOD	Foreign Object Damage/Foreign Object Debris
FOIA	Freedom of Information Act
FOR	Flight Operations Representative
FSO	Flying/Aviation Safety Officer

G

GFE	Government-furnished Equipment
GFR	Government Flight Representative
GFRC	Ground and Flight Risk Clause
GIDEP	Government Industry Data Exchange Program
GOCO	Government Owned Contractor Operated
GTV	Ground Test Vehicle

H

HAZMAT	Hazardous Material
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HCA	Heads of Contracting Activities
HQ	Headquarters
HQDA	Headquarters, Department of the Army

I

IFE	In-flight Emergency
IFR	Instrument Flight Rules
IG	Inspector General
IH	Industrial Hygiene
IMA	Individual Mobilization Augmentees
IMC	Instrument Meteorological Conditions
IOA	Internal Operations Assessment Checklists
ISO	International Standardization Organization
IP	Instructor Pilot

J

JCS	Joint Chiefs of Staff
JPO	Joint Petroleum Office
JTR	Joint Travel Regulations

K

KTR	Contractor
KO	Contracting Officer

L

LEL	Lower Explosive Level
LOX	Liquid Oxygen
LOA	Letter of Offer and Acceptance

M

MACOM	Major Command (Army)
MAJCOM	Major Command (Air Force)
MDR	Material Deficiency Report
MDS	Mission Design Series
MICOM	Missile Command
MIL-STD	Military Standard
MILSTRIP	Military Standard Requisitioning & Issue Procedures
MMAS	Materiel Management Accounting System
MO	Management Office
MOA	Memorandum of Agreement
MOR	Management Office Residency
MOU	Memorandum of Understanding
MPS	Master Production Schedule
MQF	Master Question File
MRP	Material Requirements Planning
MSC	Military Sealift Command

MSL	Mean Sea Level
MTC	Military Transportation Command
MTP	Maintenance Test Pilot
Mx	Maintenance

N

NAMO	Naval Aviation Maintenance Office
NASA	National Aeronautical Space Agency
NAVAIDS	Navigation Aids
NAVAIR	
SYSKOM	Naval Air Systems Command
NAVAIRINST	Naval Air Instruction
NAVPRO	Navy Plant Representative Offices
NAVSAFCEN	Naval Safety Center
NEC	National Electrical Code
NFO	Naval Flight Officer
NFPA	National Fire Protection Association
NOTAM	Notice to Airmen
NTSB	National Transportation Safety Board
NVG	Night Vision Goggles

O

OASD	Office of the Assistant Secretary of Defense
O&IR	Operations and Instruction Run Procedures
OM	Operation Management
OMB	Office of Management and Budget
OPR	Office of Primary Responsibility
OSD	Office of the Secretary of Defense
OSHA	Occupational Safety and Health Association
OT&E	Operational Test & Evaluation

P

PAS	Preaward Survey
PBM	Performance Based Management
PCO	Procuring Contracting Officer
PDLM	Programmed Depot Level Maintenance
PDM	Program Depot Maintenance
PFLA	Primary Field Level Activity
PI	Program Integrator
PIC	Pilot in Command
PLAS	Performance Labor Accounting System
PM	Program Manager
PMA	Program Manager/Air
PMR	Program Management Review

PQDR	Product Quality Deficiency Report
PRO	Plant Representative Office
PROCAS	Process Oriented Contract Administration Service
PST	Program Support Team

Q

QA	Quality Assurance
QAR	Quality Assurance Representative
QAS	Quality Assurance Specialist
QDE	Quality Data Evaluation
QDR	Quality Deficiency Report

R

RAPCON	Radar Approach and Control
RCS	Reports Control Symbol
RDT&E	Research Development Test & Evaluation
RPV	Remotely Piloted Vehicles

S

SD	Source and Destination
SDLM	Scheduled Depot Level Maintenance
SDR	Systems Design Review
SE	Support Equipment
SERD	Support Equipment Requirements Data
SitRep	Situation Reports
SOF	Supervisor of Flying
SOW	Statement of Work
SPO	System Program Office
SSM	Specialized Safety Manager
SSAN	Social Security Number
STE	Special Test Equipment

T

TACOM	Tank and Automotive Command
T&D	Terms and Definitions
TCO	Terminating Contracting Officer
TECH REP	Technical Representative
TECOM	Test and Evaluation Command
TDY	Temporary Duty
TO	Technical Order
TM	Technical Manual
TPS	Test Pilot School

U

USAALS	U.S. Army Aviation Logistics School
USASC	U.S. Army Safety Center
USASAC	U.S. Army Security Assistance Command

V

VFR	Visual Flight Rules
VMC	Visual Meteorological Conditions

W

WSO	Weapons System Officer
W _x	Weather